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DEPARTMENT OF COMMERCE

International Trade Administration

[A-533-867, C-533-868]

Welded Stainless Pressure Pipe from India: Antidumping Duty and Countervailing Duty Orders

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: Based on affirmative final determinations by the Department of Commerce (“Department”) and the International Trade Commission (“ITC”), the Department is issuing antidumping duty (“AD”) and countervailing duty (“CVD”) orders on welded stainless pressure pipe (“WSPP”) from India.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Alex Rosen at (202) 482-7814 or Mandy Mallot at (202) 482-6430, AD/CVD Operations, Office III, Enforcement and Compliance, U.S.

Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

In accordance with sections 705(d) and 735(d) of the Tariff Act of 1930, as amended (“Act”), on September 29, 2016, the Department published its affirmative final determination of sales at less than fair value (“LTFV”) and its affirmative final determination that countervailable subsidies are being provided to producers and exporters of WSPP from India.¹ On November 9, 2016, the ITC notified the Department of its final affirmative determination that an industry in

¹ See *Welded Stainless Pressure Pipe from India: Final Determination of Sales at Less Than Fair Value*, 81 FR 66921 (September 29, 2016) (“AD Final Determination”). See also *Countervailing Duty Investigation of Welded Stainless Pressure Pipe from India: Final Affirmative Determination*, 81 FR 66925 (September 29, 2016) (“CVD Final Determination”).

the United States is materially injured by reason of LTFV imports and subsidized imports of WSPP from India, within the meaning of sections 735(b)(1)(A)(i) and 705(b)(1)(A)(i) of the Act.²

Scope of the Orders

The merchandise covered by these orders is circular welded austenitic stainless pressure pipe not greater than 14 inches in outside diameter. For purposes of this scope, references to size are in nominal inches and include all products within tolerances allowed by pipe specifications. This merchandise includes, but is not limited to, the American Society for Testing and Materials (“ASTM”) A-312 or ASTM A-778 specifications, or comparable domestic or foreign specifications. ASTM A-358 products are only included when they are produced to meet ASTM A-312 or ASTM A-778 specifications, or comparable domestic or foreign specifications.

Excluded from the scope are: (1) welded stainless mechanical tubing, meeting ASTM A-554 or comparable domestic or foreign specifications; (2) boiler, heat exchanger, superheater, refining furnace, feedwater heater, and condenser tubing, meeting ASTM A-249, ASTM A-688 or comparable domestic or foreign specifications; and (3) specialized tubing, meeting ASTM A-269, ASTM A-270 or comparable domestic or foreign specifications.

The subject imports are normally classified in subheadings 7306.40.5005, 7306.40.5040, 7306.40.5062, 7306.40.5064, and 7306.40.5085 of the Harmonized Tariff Schedule of the United States (“HTSUS”). They may also enter under HTSUS subheadings 7306.40.1010, 7306.40.1015, 7306.40.5042, 7306.40.5044, 7306.40.5080, and 7306.40.5090. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of

² See Letter to Christian Marsh, Deputy Assistant Secretary, from Irving Williamson, Chairman of the U.S. International Trade Commission, regarding antidumping and countervailing duty investigations concerning imports of welded stainless pressure pipe from India (Investigation Nos 701-TA-548 and 731-TA-1298), dated November 9, 2016 (“ITC Letter”).

the scope of these orders is dispositive.

Antidumping Duty Order

In accordance with sections 735(b)(1)(A)(i) and 735(d) of the Act, the ITC has notified the Department of its final determination that an industry in the United States is materially injured by reason of imports of WSPP that are subsidized by the government of India and sold in the United States at LTFV. Therefore, in accordance with section 735(c)(2) of the Act, we are publishing this antidumping duty order. Because the ITC determined that imports of WSPP from India are materially injuring a U.S. industry, unliquidated entries of such merchandise from India, entered or withdrawn from warehouse for consumption, are subject to the assessment of antidumping duties.

In accordance with section 736(a)(1) of the Act, the Department will direct U.S. Customs and Border Protection (“CBP”) to assess, upon further instruction by the Department, antidumping duties equal to the amount by which the normal value of the merchandise exceeds the export price (or constructed export price) of the merchandise, for all relevant entries of WSPP from India. Antidumping duties will be assessed on unliquidated entries of WSPP from India entered, or withdrawn from warehouse, for consumption on or after May 10, 2016, the date of publication of the *AD Preliminary Determination*,³ but will not include entries occurring after the expiration of the provisional measures period and before publication of the ITC’s final injury determination, as further described below.

Provisional Measures (AD)

Section 733(d) of the Act states that instructions issued pursuant to an affirmative preliminary determination may not remain in effect for more than four months, except where

³ See *Welded Stainless Pressure Pipe from India: Affirmative Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 81 FR 28824 (May 10, 2016) (“*AD Preliminary Determination*”).

exporters representing a significant proportion of exports of the subject merchandise request the Department to extend that four-month period to no more than six months. At the request of exporters that account for a significant proportion of WSPP from India, the Department extended the four-month period to six months.⁴ In the underlying investigation, the Department published the *AD Preliminary Determination* on May 10, 2016.⁵ Therefore, the extended period, beginning on the date of the publication of the *AD Preliminary Determination*, ended on November 5, 2016. Furthermore, section 737(b) of the Act states that definitive duties are to begin on the date of publication of the ITC's final injury determination.

Therefore, in accordance with section 733(d) of the Act and our practice,⁶ we will instruct CBP to terminate the suspension of liquidation and to liquidate, without regard to antidumping duties, unliquidated entries of WSPP from India entered, or withdrawn from warehouse, for consumption after November 5, 2016, until and through the day preceding the date of publication of the ITC's final injury determination in the *Federal Register*. Suspension of liquidation will resume on the date of publication of the ITC's final determination in the *Federal Register*.

Continuation of Suspension of Liquidation (AD)

In accordance with section 735(c)(1)(B) of the Act, we will instruct CBP to continue to suspend liquidation on entries of subject merchandise from India. These instructions suspending liquidation will remain in effect until further notice.

We will also instruct CBP to require cash deposits equal to the amounts as indicated below, except for Sunrise Stainless Pvt. Ltd. and Sun Mark Stainless Pvt. Ltd. (collectively, "Sunrise Group"), which are adjusted for certain countervailable subsidies, where appropriate, as

⁴ *Id.*

⁵ *Id.*

⁶ See, e.g., *Certain Corrosion-Resistant Steel Products From India, Italy, the People's Republic of China, the Republic of Korea and Taiwan: Amended Final Affirmative Antidumping Determination for India and Taiwan, and Antidumping Duty Orders*, 81 FR 48390 (July 25, 2016).

described below⁷. Because Sunrise Group has an estimated weighted-average final dumping margin of zero, we are directing CBP to terminate suspension of liquidation of entries of WSPP produced and exported by this entity. In addition, subject merchandise produced and exported by Sunrise Group will be excluded from the antidumping duty order. Accordingly, effective on the date of publication of the ITC's final affirmative injury determination, CBP will require, at the same time as importers would normally deposit estimated duties on this subject merchandise, a cash deposit equal to the estimated duties on this subject merchandise, a cash deposit equal to the estimated weighted-average dumping margins listed below. The "All Others" rate applies to all exporters of subject merchandise not specifically listed. For the purpose of determining cash deposit rates, the estimated weighted-average dumping margins for imports of subject merchandise have been adjusted, as appropriate, for export subsidies found in the final determination of the companion countervailing duty investigation of this merchandise.⁸

Estimated Weighted-Average Antidumping Duty Margin

The weighted-average antidumping duty margin percentages are as follows:

<u>Exporter/Producer</u>	<u>Weighted-Average Margin</u>	<u>Cash-Deposit Rate</u>
Steamline Industries Ltd.	12.66%	10.17%
All Others	12.66%	8.35%

⁷ See *AD Final Determination*, 81 FR at 66922 (describing the adjustments to the AD margins in more detail); see also sections 772(c)(1)(C) and 777A(f) of the Act, respectively. Unlike in administrative reviews, the Department calculates the adjustment for export subsidies in investigations not in the margin calculation program, but in the cash deposit instructions issued to CBP. See, e.g., *Notice of Final Determination of Sales at Less Than Fair Value, and Negative Determination of Critical Circumstances: Certain Lined Paper Products from India*, 71 FR 45012 (August 8, 2006), and accompanying Issues and Decision Memorandum at Comment 1.

⁸ See *CVD Final Determination*.

Countervailing Duty Order

In accordance with sections 705(b)(1)(A)(i) and 705(d) of the Act, the ITC notified the Department of its final determination that the industry in the United States producing WSPP is materially injured by reason of subsidized imports of WSPP from India.⁹ Therefore, in accordance with section 705(c)(2) and 706(a) of the Act, we are publishing this countervailing duty order.

Pursuant to section 706(a) of the Act, the Department will direct CBP to assess, upon further instruction by the Department, countervailing duties on unliquidated entries of WSPP entered, or withdrawn from warehouse, for consumption on or after March 11, 2016, the date on which the Department published its affirmative preliminary countervailing duty determination in the *Federal Register*,¹⁰ and before July 9, 2016, the effective date on which the Department instructed CBP to discontinue the suspension of liquidation in accordance with section 703(d) of the Act.¹¹ Section 703(d) of the Act states that the suspension of liquidation pursuant to a preliminary determination may not remain in effect for more than four months. Therefore, entries of WSPP made on or after July 9, 2016, and prior to the date of publication of the ITC's final determination in the *Federal Register* are not liable for the assessment of countervailing duties, due to the Department's discontinuation, effective July 9, 2016, of the suspension of liquidation.

Suspension of Liquidation (CVD)

In accordance with section 706 of the Act, the Department will direct CBP to reinstitute suspension of liquidation, effective on the date of publication of the ITC's notice of final determination in the *Federal Register*, and to assess, upon further instruction by the Department

⁹ See ITC Letter.

¹⁰ See CVD Preliminary Determination.

¹¹ See CVD Final Determination.

pursuant to section 706(a)(1) of the Act, countervailing duties for each entry of the subject merchandise in an amount based on the net countervailable subsidy rates for the subject merchandise. The Department will also direct CBP to require a cash deposit for each entry of subject merchandise in an amount equal to the net countervailable subsidy rates listed below. The all-others rate applies to all producers and exporters of subject merchandise not specifically listed.

<u>Exporter/Producer</u>	<u>Subsidy Rate</u>
Steamline Industries Limited	3.13%
Sunrise Stainless Private Limited/ Sun Mark Stainless Pvt. Ltd./ Shah Foils Ltd. ¹²	6.22%
All-Others	4.65%

Notification to Interested Parties

This notice constitutes the AD and CVD orders with respect to WSPP from India pursuant to sections 736(a) and 706(a) of the Act. Interested parties can find an updated list of orders currently in effect by either visiting <http://enforcement.trade.gov/stats/iastats1.html> or by contacting the Department's Central Records Unit, Room B8024 of the main Commerce Building.

¹² See *CVD Preliminary Determination*, in which we determined that Sunrise Stainless Private Limited, Sun Mark Stainless Pvt. Ltd., and Shah Foils Ltd. are entitled to the same subsidy rate.

These orders are published in accordance with sections 706(a), 736(a), and 777(i) of the Act, and 19 CFR 351.211(b).

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

November 14, 2016

Date

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